



State of Utah

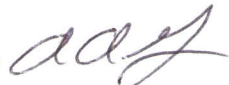
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

November 21, 1997

TO: Minerals File

FROM: Tony Gallegos, Reclamation Engineer 

RE: Site Inspection, Chimney Rock Resources, Chimney Rock II Mine, S/015/066
(ML-45089), Emery County, Utah

Date of Inspection: November 19, 1997
Time of Inspection: 1345 - 1615
Conditions: Overcast, cool
Participants: Val Payne, Bryant Anderson and Rex Funk, Emery County; John Blake, Justin Quigley, and Kenny Winch, SITLA; Steve Powell, Operator; Ace Nielson, Historical Archeological Consultant; Tony Gallegos, DOGM

Purpose of Inspection: To examine the site with representatives from Emery County and SITLA

While driving on the access road to the mine site off of the county road, I met Dean King of King Land and Livestock. Mr. King was driving out from the site. Mr. King is a rancher out of Green River, Utah who has cattle nearby under a grazing lease in this area. Mr. King explained he utilizes this road to feed and water his cattle, and he was not happy with the battered and extremely dusty sections of the access road. He asked if anything could be done to require the mine operator to maintain the road in better condition. [Dean King's phone number (801)564-3536, cell phone 636-5354]. After talking with him I proceeded to the mine site, where the rest of the group was already gathered.

Upon arriving at the mine site, a haul truck appeared to be in the process of being loaded with limestone from some piles adjacent to the old railroad grade. Shortly after my arrival, Mr. Justin Quigley of Trust Lands Administration informed Steve Powell that he would have to cease all operations due to the impacts to the historical railroad grade.

I asked Steve to describe what had happened at this site over the years. Steve explained that after initially getting the lease back in 1992 or earlier, he asked his dozer operator to see if they could rip the material. The dozer operator ripped a much larger area than Steve had anticipated and so he contacted State Lands and spoke with Jerry Mansfield. He also contacted Holland Shepherd at the Division of Oil, Gas and Mining around this same time. He said there were inspections by Mr. Mansfield and Mr. Shepherd which took place after the dozer ripping, and since then, the project sat idle for some time. Sometime around 1995, some minor excavation or digging work took place at the site and there was a second inspection by the Division. Sometime after that inspection Steve was required to post a bond with State Lands. Steve explained that he intended to reclaim that portion of

the old railroad grade which had been ripped. He intended to reclaim it by removing the limestone piled up on the sides, removing limestone in the railroad grade, and then regrade the area. Shortly after our conversation Steve left the site.

At the time of this inspection there were two main areas of disturbance. One area located on the west end of a section of the railroad grade and one smaller area located to the east. These two main disturbance areas straddle or run parallel with the railroad grade. The railroad grade is visible as an excavated path through the limestone. There were some minor areas disturbed between these two areas, but for the most part, the disturbances were located in the two main areas. The western disturbance included areas along side of the railroad grade which have been scalped or graded, some piles of loose limestone, and some recent excavations within the railroad grade itself. Equipment present at the site included a front end loader and a track hoe. A rectangular area encompassing most of the western disturbance was measured by John Blake and myself using a hip chain. The rectangular area was approximately 195 feet wide and 469 feet long. This western disturbance includes the area where the front end loader and track hoe were parked.

The eastern disturbance included some scalped or graded areas on each side of the railroad grade, some excavations within the railroad grade, and a pile of loose limestone on the eastern end of this area. A rectangular area encompassing these disturbances was also measured using the hip chain. The eastern disturbance is approximately 187 feet wide and 315 long. Photographs of this eastern disturbance show signs of grading or excavation within the railroad grade.

The access road from the mine to the county road is located on state lands. At this time, it is believed that this road was previously existing. The road now shows signs of repetitive heavy truck traffic such as rutting and excessive dust. Portions of the access road are covered with "flour" dust three to six inches deep. Portions of the main county road also included some sections of this "flour" dust.

At this time, this operation had not specifically violated the Minerals Rules of the Division. An exploration notice was filed with the Division which was overlapped by the small mining notice. The operation has not exceeded the five acre limit for a small mining operation. Advance notification of initiating operations after a period of inactivity or suspension is not specified in the Minerals Rules for small mining operations, although notification is preferred. A small mine operator is required to describe the mining activities conducted during the past year in an annual report submitted to the Division after the end of the calendar year.

There was some discussion among those present as to how to remedy the impacts to the railroad grade, and how to restore or reclaim the site. Other permitting concerns which were raised were: the lack of advance notification to SITLA of active mining operations, the disturbance exceeding the amount currently covered by a reclamation bond, mining in an area outside of the proposed area as described in the notice, and mining within the railroad grade. In conclusion, SITLA will be following the verbal cessation order with a written formal order within the next few days. Emery County will be looking into possible violations regarding the county road and historic features.

jb
cc: Steven Powell, Operator
Bryant Anderson, Emery County
John Blake, SITLA
S015066.ins



